

BOARD OF DIRECTORS' MEETING

October 24, 2011

Presiding: Anne Struthers

Board Members

Present:

Nyron Battles
Rose Coleman
Mike Kuller
Donald Morris
Steve Whitgob

Ronald Clay
Kathy Hebert
Hilda Mariscal
Sister Marygrace

Board Members

Excused:

Patricia Albeño

Ralph Griffin

Staff Present:

Bill Barbaria
Francine Davis
Terri Jones
Nancy Kubota

Jim Burton
Susan Driggs
Rhonda Kimble-Kelly
Ella Liggins

Guests Present:

Sharon Hagerty
Sandi Soliday
Todd Struthers

Gina Jennings
Rocio Smith

CALL TO ORDER

Treasurer, Mike Kuller, called to order the regularly scheduled business meeting of the Regional Center of the East Bay at 7:02 PM. Self introductions were made.

PERFORMANCE CONTRACT REVIEW

Ella Liggins, RCEB Associate Director of Consumer Services, reviewed the draft plan for 2012 with the group and responded to questions.

M/S/C

“The Board moves to approve the 2012 Performance Contract Objectives as presented.” (Battles/Hebert) Unanimous.

PUBLIC COMMENT

There was no public comment at this time.

CONSENT AGENDA

M/S/C “The Board moves to approve the consent agenda for October 24, 2011 as presented.” (Coleman/Battles) Unanimous.

COMMITTEE REPORTS

BUDGET AND FINANCE COMMITTEE: Mike Kuller

Mr. Kuller reported that RCEB’s cash flow is currently stable and no immediate cash flow problems are anticipated. Mr. Kuller shared that Union Bank has provided documents to establish a line of credit in the event our payments from the state are delayed. He also noted that while we do not currently anticipate a need for this funding it would be prudent to have the line of credit in place. The line of credit would be in place through September 30, 2012. Mr. Kuller reminded members it has been the customary practice for the Board to annually establish a line of credit in the event the state budget is not approved on time. The line of credit being considered this evening is being offered after the start of the fiscal year but would remain in place through September 30, 2012. Members were also reminded that the line of credit is used only on an as needed basis and the agency does not incur costs until the funds are actually used.

M/S/C “The Board moves to authorize RCEB to establish a line of credit with Union Bank of California for \$44,250,000 in the event that the fiscal year 2012-2013 state budget does not pass on time or in the event state payments to RCEB are delayed.” (Whitgob/Battles) Unanimous.

Mr. Kuller distributed and reviewed the Financial Status Report for September 2011. Mr. Kuller reported that his committee has discussed the possibility of mid-year budget triggers enacted by the state legislature that could impact our current year’s budgets for POS and Operations. Mr. Kuller noted that staff has completed a preliminary budget based on the C-1 allocation and the anticipated funds to be received in the C-2 allocation. Members were reminded our Operations allocation to date is approximately \$1.8 million less than received in the previous fiscal year. At this time RCEB is projecting an insufficiency in Operations of \$100,000. Staff will assess and monitor all Operations expenditures for the year including the continued hiring freeze that has been in place since the beginning of 2010, a reduction in all non-critical costs in Operations and an increased share of cost to management staff for their benefits.

Mr. Kuller noted that without these measures in place, our Operations deficiency would have been far more serious.

Mr. Kuller reported that staff will complete our Sufficiency of Allocation Report (SOAR) by mid-November for a review by DDS and ARCA. This report will be the basis of our Fiscal Year 2011/2012 POS projections but expenditures continue to be consistent with what the agency has been reporting to the Board. Mr. Kuller noted that the staff will continue to monitor the Operations and POS budgets and keep the Board informed of any changes in projections for the fiscal year.

EXECUTIVE COMMITTEE: Anne Struthers

Ms. Struthers distributed four contracts for Board review and consideration. Mr. Burton explained that Board approval has already been secured for these contracts but the amendments being reviewed this evening are necessary to reflect the new requirements in law that include a cap on administrative overhead, service provider audits or reviews, utilization of electronic billing and the statutory rate reduction for service providers.

M/S/C “The Board moves to approve the contracts as presented.” (Yea-8, Abstain-Whitgob)

Mr. Burton reminded members they had approved a Whistleblower Policy last fall. DDS has now requested changes to that policy. The changes presented for consideration will clarify our posting process and outline an annual review process and notice to the community of RCEB’s and the State’s Whistleblower policies.

M/S/C “The Board moves to approve the RCEB Whistleblower Policy as presented.” (Coleman/Battles) Unanimous.

MEMBERSHIP DEVELOPMENT COMMITTEE: Anne Struthers

Ms. Struthers reminded members that the slate of officers for 2012 had been presented at the September meeting of the Board and the election will take place at the November meeting. Ms. Struthers requested additional nominations from the floor and with none offered the nominations were closed and the following slate of officers for 2012 was presented:

President – Ralph Griffin
Vice President – Anne Struthers
Treasurer – Mike Kuller
Secretary – Kathy Hebert

Ms. Struthers also reported that Ralph Griffin has completed six years of service and is eligible to extend his term for one additional year. Following a ballot election, Mr. Griffin was unanimously elected to a seventh year of service on the Board.

PROVIDER/VENDOR ADVISORY COMMITTEE: Sister Marygrace

Sister Marygrace reported her group had met on October 14th. She noted that a good portion of the meeting was devoted to discussion of the change in law requiring a person be present for at least 65% of the day in order for day programs to be reimbursed for the full day of service. Any attendance less than 65% must now be billed as a half day of service. The meeting also included a presentation by Premier Healthcare. This agency provides adult day healthcare services in Alameda and Contra Costa Counties.

Sister Marygrace reported that PVAC will meet in December and at that time they will elect the Chairperson and Board Representative for 2012. Members were reminded that PVAC attempts to balance their membership with representatives from all service categories. Meetings are open to the public and all are welcome to attend.

CONSUMER ADVISORY COMMITTEE: Donald Morris

Mr. Morris reported that Jim Burton reported to the group on the respite conversion process that is being completed at RCEB. He also explained the special trigger provision in the state budget and answered questions about what that will mean to regional centers and consumers. Mr. Morris also reported that all of the candidates for next year's Consumer Advisory Committee (CAC) Chairperson gave short speeches explaining why they would be the best choice for the position. A new Chairperson will be elected at the November 14th CAC meeting.

EXECUTIVE DIRECTOR'S REPORT: Jim Burton

Mr. Burton said there was no new information to share on the state budget. The Legislature is currently out of session and there are no indications they will be called back into special session. Mr. Burton acknowledged that we are concerned about the trigger and the \$100 million reduction in state general funds that could occur if revenues don't meet identified targets. We are hopeful there are other savings in the developmental disabilities system that will prevent further cuts to the system. Members were reminded that if additional cuts are proposed, they will have Legislative review and approval prior to implementation.

Mr. Burton reported that SB 946 (Steinberg) was signed into law by the governor. This bill will extend healthcare coverage to behavioral services for children with autism. This incredible accomplishment was done in record time and would not

have happened without the extraordinary efforts of some very devoted family members. The bill will go into law January 1, 2012 but the provisions don't become effective until July 1, 2012.

Mr. Burton also reported the Department of Developmental Services (DDS) has made arrangements with Delta Dental to provide services similar to those that were provided through Denti-Cal to people with developmental disabilities who rely on Medi-Cal funding. Members were reminded that dental services were one of the optional healthcare benefits eliminated in previous budget cuts. These services should be available in mid-January but the regional center will continue to fund these essential services until the new process is in place. Mr. Burton shared that Rita Walker worked very hard for many months to put this service in place prior to her retirement from DDS earlier this month.

Mr. Burton shared that we recently lost two physicians who played important roles in the developmental disabilities service system. Dr. Richard Koch had an incredible career and was one of the founding fathers of our system. Dr. Robert Schreiber, a child psychiatrist in the east bay area, passed away suddenly. Dr. Schreiber's death will be a tremendous loss to our community.

Mr. Burton informed the Board that the work load generated by the trailer bill language and emergency regulations is consuming massive amounts of time and energy for our families and our staff. The changes to vouchered respite, day care, nursing services and transportation will impact 4500 consumers at RCEB and are taking significant effort to put into place. This is a major system change that must be put together very rapidly. It is critical that we complete this conversion or we jeopardize federal funding for these services. We have started the conversion process with respite services because that is the largest group included in the change. We will convert day care services next but are still working to find a workable structure. There will be approximately 800 families impacted by the day care change. We will continue meeting with families, answering questions and moving forward and anticipate completing all conversions by the end of December.

Mr. Burton reported that a lawsuit has been filed by the ARC of California and UCP of California challenging the right of the state to implement cuts to service providers. The lawsuit questions whether the state got appropriate approvals from the federal government to be able to do that. We don't have a lot of information about the lawsuit but it is posted on the ARC website for those who might be interested.

Mr. Burton noted that earlier in the evening Dr. Whitgob abstained from voting on the contract with Futures Explored as his wife is an unpaid member of the Futures Explored Board of Directors. Dr. Whitgob has been very open about his wife's position on their board and for many years a conflict of interest waiver has been granted with the understanding that Dr. Whitgob would not take part in any

vote relative to Futures Explored. In the past, this waiver has been reviewed annually by the Area Board, the State Council on Developmental Disabilities and DDS. RCEB's most recent request for the same waiver was approved by the Area Board and the State Council but denied by DDS after nine months. RCEB asked that the waiver be reconsidered. Our attorney met with the DDS attorney and a response was promised by August 31, 2011. DDS is now telling us they have no record of our efforts to address the shift in their position on a waiver that has been granted repeatedly over a number of years. Mr. Burton noted that the position DDS has taken is very disappointing because RCEB takes any potential conflict of interest very seriously and always has.

PUBLIC COMMENT

Rocio Smith asked everyone to mark their calendars. The next Legislative Town Hall Meeting has been scheduled for January 27, 2012 at the State building. Everyone was encouraged to attend.

Jim Burton reported that RCEB staff worked very hard to raise funds for a holiday party and would like board members to join them on December 14th at the Marina Community Center in San Leandro.

Sandi Soliday announced that the Alameda County Transition Fair has been scheduled for March 17, 2012 and more details will follow in the new year.

ARCA REPORT: Anne Struthers

There was no ARCA report this evening. The next ARCA meeting will be held in early December in southern California.

ADJOURNMENT

The meeting was adjourned at 8:10 PM.

Respectfully submitted,

Nyron Battles
Secretary
RCEB Board of Directors